

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 57th LEGISLATURE - REGULAR SESSION COMMITTEE ON BUSINESS AND LABOR

Call to Order: By **CHAIRMAN JOE MCKENNEY**, on April 4, 2001 at 10:30 A.M., in Room 172 Capitol.

ROLL CALL

Members Present:

Rep. Joe McKenney, Chairman (R)
Rep. Rod Bitney, Vice Chairman (R)
Rep. Gary Matthews, Vice Chairman (D)
Rep. Roy Brown (R)
Rep. Nancy Fritz (D)
Rep. Dave Gallik (D)
Rep. Dennis Himmelberger (R)
Rep. Carol C. Juneau (D)
Rep. Jim Keane (D)
Rep. Rick Laible (R)
Rep. Bob Lawson (R)
Rep. John Musgrove (D)
Rep. William Price (R)
Rep. Allen Rome (R)
Rep. Donald Steinbeisser (R)
Rep. Brett Tramelli (D)
Rep. James Whitaker (R)

Members Excused: Rep. Sylvia Bookout-Reinicke (R)
Rep. Kathleen Galvin-Halcro (D)

Members Absent: None.

Staff Present: Gordon Higgins, Legislative Branch
Jane Nofsinger, Committee Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing(s) & Date(s) Posted:
Executive Action: SB509, SB383

EXECUTIVE ACTION ON SB509

Motion: REP. MATTHEWS moved that SB509 BE CONCURRED IN.

Discussion:

Motion: REP. MATTHEWS moved that SB509 BE AMENDED.

Discussion:

Sheila Rice, Energy West, a proponent who had not been present at the hearing, explained the amendments which she said were offered at the request of the sponsor. **EXHIBIT (buh76a01)** The most important amendment, she said, was the Arizona amendment which limits credits to the actual cost of the alternative fuel system. She said, in general, this cost is around 10% of the vehicle. She said she felt the amendments helped with the definition and also helped to bring the fiscal note down.

REP. GALLIK asked if the source of the funding was the General Fund.

Ms. Rice said it was.

REP. LAIBLE asked about the cost of a heavy-duty vehicle such as a snow coach.

Ms. Rice said a heavy duty vehicle would include a bus, but a snow coach was a van.

REP. LAIBLE noted the fiscal note would be cut down considerably.

Ms. Rice said it would be reduced by one-half.

REP. LAIBLE asked what effect the bill would have on the local county registration fee.

Ms. Rice said **REP. WHITAKER** is prepared to strike that because all of us were concerned with the effect on the county fees.

REP. KEANE asked if it applied to any truck over 26,000 lbs which was using an alternative fuel.

Ms. Rice said the incremental cost up to \$20,000 could include trucks and buses.

REP. KEANE asked about dual fuel vehicles.

Ms. Rice replied yes, it could include dual fuel, but 50% of the time the vehicle had to burn the alternate fuel.

REP. FRITZ asked how that state would know which fuel they were using.

Ms. Rice said the Department of Revenue would ask for proof, so it would be covered under administrative rule.

REP. KEANE asked why they had expanded the bill to 26,000 gross weight vehicles.

SEN. DOHERTY said the idea was to make it attractive to those with fleets.

REP. PRICE asked about the fee.

SEN. DOHERTY said **REP. WHITAKER** would offer a substitute amendment.

REP. LAIBLE noted the bill had been amended from 500-400 gallons and asked why.

Ms. Rice said this was done at the request of the coalition. She said if there was a concern it could be taken out, and also if there was a concern about the heavy duty vehicles, they could be taken out. The idea, she said, is to take a stand on clean fuel.

Vote: Motion **carried unanimously.**

Motion: **REP. MATTHEWS** moved that **SB509 BE CONCURRED IN AS AMENDED.**

Discussion:

Motion: **REP. WHITAKER** moved that **SB509 BE AMENDED.**

Discussion:

REP. WHITAKER moved a conceptual amendment to strike Section 7 & 8, and said it was at the request of the counties.

Mr. Higgins said the amendment should include striking Section 6, since it was no longer needed.

REP. JUNEAU asked for a review of the conceptual amendment.

Ms. Rice said Sections 6, 7 and 8 dealt with exempting alternative fuel vehicles from license fees. They are striking these sections because the counties were concerned about the loss of revenue.

Vote: Motion **carried unanimously.**

Motion: **REP. WHITAKER** moved that **SB509 BE CONCURRED IN AS AMENDED.**

Discussion:

REP. LAIBLE proposed a conceptual amendment to change 400 gallons back to 500 gallons.

Mr. Higgins said that would be no problem.

REP. PRICE asked **REP. LAIBLE** why he would want to do that.

REP. LAIBLE said because a lot more heavy equipment has been added. He then decided to withdraw his amendment.

REP. GALLIK said he thought it was a great idea but since it was in the later stages of the session, and it would have an impact on the General Fund, he was hesitant about the bill. He said, "In my mind, other funding needs are more urgent, but I will support this bill...tepidly."

REP. BROWN said, "I think it is a great bill but it will cost \$300,000. I want these dollars to go to education, and I can't support it."

REP. JUNEAU asked if the bill will go to appropriations.

CHAIRMAN MCKENNEY answered that is what he assumed, but there was no guarantee.

REP. KEANE said after the amendment it will need a new fiscal note.

REP. BROWN noted the sponsor said it would decrease the fiscal note by about half, which would be \$340,000 over the biennium.

Vote: Motion **carried 14-5 with Brown, Lawson, McKenney, Musgrove, and Steinbeisser voting no.**

REP. WHITAKER will sponsor the bill in the House.

EXECUTIVE ACTION ON SB383

Motion: REP. LAWSON moved that **SB383 BE TAKEN OFF THE TABLE.**

REP. LAWSON reminded the committee this was SEN. GLASER's bill about non-metallic sheath cable and conduit. He said the committee might have failed to have given this issue due consideration and asked them to re-consider the bill.

Vote: Motion **carried 10-9 with Bitney, Brown, Himmelberger, Laible, McKenney, Price, Rome, Steinbeisser, and Whitaker voting no.**

Motion: REP. LAWSON moved that **SB383 BE CONCURRED IN.**

Discussion:

REP. BITNEY said this material, "Romex," is the same which is used in commercial buildings. He said he could not support this bill.

REP. LAIBLE said the code requirements are already covered in Montana's building codes. "It is a pretty slippery slope if we start putting building codes into statutes," he said. He told the committee he would resist the bill.

REP. GALLIK said he wanted to make sure when metal 2X4s were used, grommets were put where the electrical line was. He said if they did not put the grommets on, the plastic coating could be stripped off the wire. He said he would support the bill.

REP. MUSGROVE said the outer sheath of plastic was equivalent to conduit, but if they used Romex in place of conduit that would be a problem. He added if the state and county inspected it, it would not be a problem.

REP. LAIBLE said metal stud buildings probably already fall under the code, so this is an inspection problem.

REP. BITNEY said he had never heard of commercial buildings having fires due to current codes. He stated the electrical bids on these buildings could be increased by 50% this requirement. He said this increase could make costs prohibitive and keep out-of-state companies from coming to Montana.

Vote: Motion **carried 10-9 with Bitney, Brown, Himmelberger, Laible, McKenney, Price, Rome, Steinbeisser, and Whitaker voting no.**

ADJOURNMENT

Adjournment: 11:30 A.M.

REP. JOE MCKENNEY, Chairman

JANE NOFSINGER, Secretary

JM/JN

EXHIBIT (buh76aad)